

MINUTES
Crested Butte Town Council
Regular Council Meeting
October 3, 2011
Council Chambers, Crested Butte Town Hall

Mayor Leah Williams called the meeting to order at 7:04 p.m. Council members present: Jim Schmidt, John Wirsing, Daniel Escalante, Reed Betz, Phoebe Wilson and Roland Mason. Staff Present: Town Manager Susan Parker, Town Attorney John Belkin, Deputy Town Clerk Carmen Bell, Finance Director Lois Rozman (for part of meeting), Town Clerk Eileen Hughes (for part of meeting), Town Planner John Hess (for part of meeting), Building and Zoning Director Bob Gillie (for part of meeting), Chief Marshal Tom Martin (for part of meeting), Public Works Director Rodney Due (for part of meeting) and Parks and Recreation Director Jake Jones (for part of meeting).

APPROVAL OF AGENDA

Betz moved and Wirsing seconded to approve the agenda. A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

CONSENT AGENDA

- A) Approval of Minutes of September 19, 2011 Regular Council meeting.
- B) Approval of Minutes of September 20, 2011 Special Meeting.
- C) Approval of Minutes of September 27, 2011 Special Meeting.

Betz noted that the September 20, 2011 and September 27, 2011 special meeting minutes need to be amended to reflect his attendance.

Betz moved and Escalante seconded to approve the consent agenda with the changes as noted to the minutes. A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

PUBLIC COMMENTS

Town Resident and Crested Butte Farmers Market (CBFM) representative Jennifer McGruther spoke to the Council regarding the CBFM's work and what it means to the community. McGruther reviewed that the CBFM is a not-for-profit endeavor that operates on Sundays and Thursdays, and that the CBFM provides charitable programs, such as the Crested Butte Real Food Bank and market-issued vouchers for the government issued Women Infants Children Federal program. McGruther said these progressive and unique programs have drawn national attention and made the CBFM a model market for other farmers markets nationwide. McGruther reported that the CBFM, which has been compared to the Boulder Farmers Market, has been featured in the Denver Post, Ski Magazine and Outside Magazine and that visitors extend their stay in the Crested Butte area to attend the CBFM, which drives income for restaurants and lodging establishments. The CBFM is currently undergoing a comprehensive economic evaluation, and preliminary results have revealed that the CBFM draws people into Town on Sundays and they then spend money in Elk Avenue businesses, and that people overwhelmingly support the Sunday location at the 100 block of Elk Avenue. McGruther reported that the CBFM operates on a \$9,000 budget and volunteer hours and does not ask the Town for any funds.

STAFF REPORTS

Tom Martin

- Reported that the recent Vinotok special event had more of a tourist festive atmosphere than in years past and that the fire was more manageable.
- Confirmed that approximately three weeks ago a bear was put down, and since then the Marshal's have not had any reported bear problems.

Bob Gillie

- Reported that cranes are expected to arrive tomorrow at the Ice Rink and weather permitting some of the structure should be erected later in the week.

Lois Rozman

- Noted that she distributed August sales tax numbers. August sales tax is up 11.2%, which is a record for the month of August. Rozman reported that the number will go up even more because there are a few missing filers. Sales tax is up 8% for the year.

Rodney Due

- Town Attorney John Belkin and David Leinsdorf, the attorney for McCormick Ranch, have been working on the McCormick Ranch sewer extension. There is some engineering to be worked out on the project, but it is moving along.
- The diversion is complete at the Halazon Ditch.

Eileen Hughes

- The County will be mailing ballots on October 11 and the ballots need to be received back to the County by November 1. There are forms available at Town Hall if people are traveling and need their ballot mailed to a different address.
- The fireworks survey is closed and she will be reporting the results to the Council at the next meeting.

NEW BUSINESS

A) Resolution No. 9, Series 2011- A Resolution To Adopt The Mill Levy For The Town Of Crested Butte, Colorado For The Fiscal Year 2012, Beginning The First Day Of January 2012 And Ending The Last Day Of December 2012.

Mayor Williams read the title of the Resolution. Finance Director Lois Rozman explained that Resolution No. 9, Series 2011 reflects what has been discussed in the budget work sessions, including an increase in the street mill levy in order to maintain 2011 funds.

Schmidt moved and Wirsing seconded to set Resolution No. 9, Series 2011 for public hearing on October 17, 2011.

B) Resolution No.10, Series 2011- A Resolution Adopting The Budget And Appropriating Sums Of Money For The Town Of Crested Butte, Colorado For The Fiscal Year Beginning The First Day Of January 2012, And Ending The Last Day Of December 2012, Estimating The Amount Of Money Necessary To Be Derived From Revenue Sources, And Setting Forth The Total Estimated Expenditures For Each Fund.

Mayor Williams read the title of the Resolution. Finance Director Lois Rozman explained that Resolution No. 10, Series 2011 reflects what has been discussed in the budget work session with the one change being a \$3,409 increase in dispatch fees from the budgeted \$35,000 to \$38,409. This change increases the General Fund from \$2,813,958 to \$2,817,367 for a total budget of \$9,422,463.

One Council member requested a more prolonged and involved discussion regarding the proposed budgeted 2% staff increase and 5% health care cost increase, stating that these increases do not reflect the reality of what is happening in the country. Mayor Williams noted that the 5% proposed health care cost increase will most likely not cover the actual increase to health care costs and therefore the proposed 2% cost of living increase will be absorbed by the employees in this manner. Finance Director Lois Rozman noted that for a mid-range employee who makes \$45,000 a year the 2% increase would equal \$900, which will be more than absorbed with the increase in health care costs. The rest of the Council felt comfortable with the proposed 2% staff increase and 5% health care cost increase.

One Council member suggested a change to the wording in the last "Whereas" of the Resolution.

Schmidt moved and Wirsing seconded to set Resolution No. 10, Series 2011 for public hearing on October 17, 2011 with the dispatch fee increase.

C) Ordinance No. 17, Series 2011- An Ordinance Amending Section 13-1- 120 of the Crested Butte Municipal Code To Increase The Minimum Monthly Service Charge Per Meter For Water Used At A "Base Rate" to \$27.00 Per Month Per EQR.

Mayor Williams read the title of the Ordinance. Finance Director Lois Rozman explained that Ordinance No. 17, Series 2011 reflects what was discussed at the most recent budget work session concerning the water and wastewater divisions and this Ordinance is an increase to the water rate. Rozman reviewed that in 2008 a need for a water rate increase was shown, so in 2009 that increase was started. The rate increase was skipped in 2010. The present proposed rate increase takes into account depreciation and that the Town is moving away from relying heavily on tap fees.

Escalante moved and Wirsing seconded to set Ordinance No. 17, Series 2011 for public hearing on October 17, 2011.

D) Resolution No. 11, Series 2011- A Resolution Adopting Certain Fees and Charges for the Fiscal Year 2012.

Mayor Williams read the title of the Resolution. Mayor Williams noted a memo from Public Works Director Rodney Due dated September 29, 2011 regarding proposed snow dump fees, which was submitted in response to the Council's concerns regarding inequities in snow hauling/dumping between large and small haulers. Due explained that in the 2008/2009 winter season the "honor system" was used for haulers to dump snow at the gravel pit and that system worked well for that season, but since then the "honor system" does not seem to be working. Due explained that the present proposal is for haulers to obtain a permit for \$250 with an additional \$250 deposit for a designated portion of the gravel pit to dump snow. All of the designated portions will be the same size and the haulers will be refunded their deposit after an inspection that verifies that the area has been maintained. Due summarized the permit system as a lease for a snow dumping area. Due noted that there will be a public area available for non-commercial haulers who will be charged a permit fee of \$10 per load, such as for a restaurant that shovels their roof and needs to haul that snow on an infrequent or one-time basis.

Escalante moved and Wirsing seconded to approve Resolution No. 11, Series 2011 with the addition of the new snow dumping fees. A roll call vote was taken with all voting "Yes." **Motion passed unanimously.**

E) Ordinance No. 18, Series 2011 – An Ordinance Adopting Changes And Additions To The 2011 Budget And Appropriations Relative To The General Fund, General Capital Fund, Sewer/ Water Fund, And Sales Tax Fund.

Mayor Williams read the title of the Ordinance. Finance Director Lois Rozman explained that Ordinance No. 18, Series 2011 is the annual budget amendment ordinance that changes the 2011 budget to reflect actual expenditures. Rozman noted that the only items that have not come before the Council were a few items in the General Fund, including FICA taxes on Council wages. Rozman briefly reviewed the details of increases in the General Fund, Sewer & Water Fund, General Capital Fund and Sales Tax Fund.

Schmidt moved and Wirsing seconded to set Ordinance No. 18, Series 2011 for public hearing on October 17, 2011.

Council took a 10 minute break.

F) Discussion and Possible Action on Residential Refuse and Recycling Contract.

Town Manager Susan Parker explained that after reviewing the submitted bids for the residential refuse and recycling contract she is making the recommendation that Council direct her to negotiate a five year contract with Waste Management. Council asked several clarification questions. Parker explained that Waste Management's bid included seven solar compactors for the Town of Crested Butte and that she is recommending a five year contract versus a seven year contract in the spirit of competition and to not be exclusive. Parker noted that if the Council would like more information from one of the bidders than what was obtained in the original bid process then in fairness to both bidders the bid process would need to be started again.

Public Comments:

Davin Sjoberg, owner of Teocalli Tamale, stated that he believes that the bid should be awarded to the locally owned company and expressed concern with awarding a bid to a waste company who transports their waste to Grand Junction when there is a landfill locally. Sjoberg also stated that he supports single-stream recycling. Sjoberg encouraged the Council to award the contract to "the new bidder" (Intermountain).

Mayor Williams clarified that neither bidder is a "local company." Town Manager Susan Parker explained that Intermountain would use the Gunnison County Landfill for refuse and an outlet in Denver for recycling and Waste Management would use the Montrose landfill for refuse and the Materials Recycling Facility in Grand Junction. Parker noted that Intermountain expressed a desire to have a franchise for both commercial and residential recycling and the Town Code does not allow for the Town to have control over commercial refuse and recycling.

Scott Eden from Intermountain Waste and Recycling was present in the audience and interrupted the discussion to comment, but was told that no further information could be submitted outside of the bid process. Donnie Pereira from Gunnison Valley Disposal asked if he could make a comment regarding him being local, but was again told that no further information could be submitted outside of the bid process. Later in the meeting Eden handed the Town Attorney John Belkin a written note thanking the Town for allowing Intermountain to bid and stating that he would not be taking any further action.

Wirsing moved and Mason seconded to direct staff to negotiate a contract with Waste Management for a five year term and submit a final contract for Town Council approval prior to December 31, 2011. A roll call vote was taken with Escalante, Wilson, Mason, Williams and Wirsing voting "Yes" and Betz and Schmidt voting "No." **Motion passed 5 to 2.**

G) Ordinance No. 19, Series 2011- An Ordinance Amending And Refining The Town's Resident-Occupied Affordable Housing Requirements And Fees Contained In Chapter 16, Article 12 Of The Crested Butte Municipal Code.

Mayor Williams reviewed that this topic was discussed at the work session prior to the meeting. Town Planner John Hess handed Council additional information and reviewed the proposed changes. The Council discussed the issue and decided that due to some confusion regarding the numbers that more discussion was needed and decided to continue Ordinance No. 19, 2011 to the October 17, 2011 meeting.

H) Ordinance No. 20, Series 2011- An Ordinance Amending Article 5 Of Chapter 6 Of The Crested Butte Municipal Code Regarding The Licensing Of Medical Marijuana Dispensaries By Repealing And Re-Enacting Article 5 And Making Certain Other Related Conforming Changes To The Code.

Mayor Williams read the title of the Ordinance. Town Attorney John Belkin reviewed his memo to the Council dated September 29, 2011 which explains the proposed revisions from the medical marijuana committee to the original medical marijuana dispensary ordinance (Ordinance No. 15, Series 2009) as contained in the present proposed Ordinance No. 20, Series 2011. Town Clerk Eileen Hughes reminded the Council that things are still in flux at the State level and because the Town plans on using the State application she would like to be consistent with the State and not accept any new applications until July 1, 2012. Hughes did clarify that if an operation had an approval in the process and was pre-qualified by the State but was unable to operate due to a ban in their municipality then under State law that operation can be considered in a different municipality, such as Crested Butte.

The Council discussed the committee's suggestion for five available permits, advertising and the possibility of an excise fee for medical marijuana businesses.

Public Comments:

David Niccum, manager of Acme Dispensary, noted that a lot of cities and counties are reducing the number of centers. Niccum stated that the existing three centers in Crested Butte satisfies the current need and that allowing more could damage the State's 70/30 rule regarding growing of medical marijuana.

Schmidt moved and Mason seconded to set Ordinance No. 20, Series 2011 for public hearing on October 17, 2011.

I) Discussion About Draft Environmental Assessment for the Establishment of Low Altitude Training for Cannon AFB, New Mexico

Town Planner John Hess noted his memo to the Council dated September 28, 2011 and clarified that the proposal is for a 13 year period and that the Council could ask for test flights or a complete environmental impact study (EIS). The Council discussed the issue at length. A Council member noted that the impact on wildlife, such as the bald eagles and lynx, must be considered.

Public Comment:

Matt Reed, Public Land Director with High County Citizens Alliance, reported that Gunnison County did request an EIS during scoping and Pitkin County either has requested an EIS or plans to do so. Reed noted that there are a lot of unknowns in the Department of Air Force's Environmental Assessment and that the document is rather dismissive. Reed requested that the Council ask for an EIS and noted the startling effect on livestock of low altitude training.

Council directed Hess to draft a letter for the October 17, 2011 meeting requesting an Environmental Impact Study, and, among other things, point out that all of the mountains in the area are ski areas.

LEGAL MATTERS

Town Attorney John Belkin:

- As Public Works Director Rodney Due mentioned, he is working with staff on a sewer connection for McCormick Ranch. He sent a draft to Attorney David Leinsdorf last week. The project is subject to some engineering concerns.
- A few weeks ago he gave Council a memo regarding the Real Estate Transfer Tax and how it relates to Fannie Mae and Freddie Mac. He has been waiting on court case pleadings from a case in Michigan. He recommends no change to the Code and will provide Council with a new memo on this issue shortly.

COUNCIL REPORTS AND COMMITTEE UPDATES

Jim Schmidt:

- There was a meeting of the Kochevar Trails group a few weeks ago where they talked about if part of a section of the new trail should be made wider so that it can be used by Adaptive Sports. Also, there is a request from Mr. Hammand to put in a loop going down from the present Lupine Trail on Kochevar property in order to limit the amount of traffic by his property. Mr. Hammand is willing to pay for the entire construction of the new loop. There is another meeting at 9 a.m. on October 26.

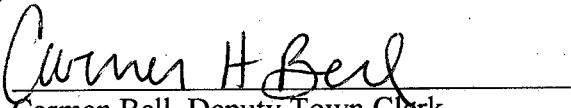
OTHER BUSINESS TO COME BEFORE THE COUNCIL

Councilmember Betz suggested that the Council consider pay raises for the Council, stating that there have not been raises in a very long time and this is the 4th Council in a row that is a "working Council." Staff noted the section in the Town Charter that speaks to Council pay raises, specifically that compensation shall be prescribed by Ordinance and that a member's compensation cannot be increased during the term of office. The Council discussed the issue. One council member noted that serving on the Council is a public service. Council directed staff to draft an ordinance for introduction at the October 17, 2011 meeting raising Council pay to \$400 per month and Mayor pay to \$800 per month.

ADJOURNMENT

Mayor Williams adjourned the meeting at 9:45 pm.


Leah B. Williams, Mayor


Carmen Bell, Deputy Town Clerk

(SEAL)

